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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 54

[WC Docket Nos. 10-90 and 05-337; DA 13-156]

Wireline Competition Bureau Seeks Additional Comment In Connect America Cost Model Virtual Workshop

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: In this document, the Wireline Competition Bureau seeks public input on additional questions relating to modeling voice capability and Annual Charge Factors.

DATES: Comments are due on or before **[INSERT DATE 20 DAYS AFTER DATE OF PUBLICATION IN THE FEDERALREGISTER]** and reply comments are due on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. If you anticipate that you will be submitting comments, but find it difficult to do so within the period of time allowed by this notice, you should advise the contact listed below as soon as possible.

ADDRESSES: You may submit comments, identified by WC Docket Nos. 10-90 and 05-337, by any of the following methods:

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- Federal Communications Commission's Web Site: <http://fjallfoss.fcc.gov/ecfs2/>. Follow the instructions for submitting comments.
- Virtual Workshop: In addition to the usual methods for filing electronic comments, the Commission is allowing comments, reply comments, and ex parte comments in this proceeding to be filed by posting comments at <http://www.fcc.gov/blog/web-cost-model-virtual-workshop-2012>.

- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov or phone: (202) 418-0530 or TTY: (202) 418-0432.

For detailed instructions for submitting comments and additional information on the rulemaking process, see the SUPPLEMENTARY INFORMATION section of this document.

FOR FURTHER INFORMATION CONTACT: Katie King, Wireline Competition Bureau at (202) 418-7491 or TTY (202) 418-0484.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Wireline Competition Bureau's Public Notice in WC Docket Nos. 10-90, 05-337; DA 13-156 released February 5, 2013, as well as information posted online in the Wireline Competition Bureau's Virtual Workshop. The complete text of the Public Notice is available for inspection and copying during normal business hours in the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC 20554. These documents may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc. (BCPI), 445 12th Street, SW, Room CY-B402, Washington, DC 20554, telephone (800) 378-3160 or (202) 863-2893, facsimile (202) 863-2898, or via the Internet at <http://www.bcpweb.com>. In addition, the Virtual Workshop may be accessed via the Internet at <http://www.fcc.gov/blog/wcb-cost-model-virtual-workshop-2012>.

1. On Tuesday, October 9, 2012, the Wireline Competition Bureau (Bureau) announced the commencement of the Connect America Cost Model (CACM) virtual workshop to solicit input and facilitate discussion on topics related to the development and adoption of the forward-looking cost model for Connect America Phase II.

2. In addition, the Bureau has continued to develop CACM. The Bureau notes that while CACM shares common components with the CQBAT model, there are a number of differences between the CQBAT model and versions 1 and 2 of CACM. Specifically, version 1 of CACM uses updated input data, adds voice costs assuming carrier grade VoIP technology, enhances the Brownfield capability of the

model, and includes fixed wireless broadband providers using State Broadband Initiative data and a more accurate reflection of which areas are served by price cap carriers. Similarly, version 2 improves on version 1 by using updated residential, business, coverage, network topology, and study area data, as well as increasing reporting capabilities, modifying the hosting and processing environment, and expanding documentation and support files.

3. To date, parties have commented on 18 different topics in the virtual workshop, including whether any modifications to functionalities, capabilities, or data sets, not included in the versions of CACM released to date, should be addressed in or added to subsequent versions of the model.

4. The Bureau now seeks public input on additional questions relating to modeling voice capability and Annual Charge Factors (ACFs). The follow-up questions, which appear in the comment sections of the “Voice Capability” and “Determining the Annualized Cost of Capital Investments” topics, ask:

- Is it reasonable to model voice capability based on a per subscriber basis? Are there any alternative ways to model the cost?
- Are the specific inputs that CACM version two uses for the cost of voice capability reasonable? If proposing an alternative method, what specific sources and values should be used?
- Is the specific approach in CACM version two of calculating ACFs by taking into account the economic life of the assets using Gompertz-Makeham curves reasonable?
- Are the ACFs used in CACM version two reasonable?

5. Commenters should address these new questions focusing specifically on CACM version two. We encourage commenters to submit responses in the virtual workshop.

6. The Bureau may continue to add discussion topics or follow-up questions, which will be announced by Public Notice. Parties can participate in the virtual workshop by visiting the Connect

America Fund webpage, <http://www.fcc.gov/encyclopedia/connecting-america>, and following the link to the virtual workshop.

7. The virtual workshop will take place over a period of weeks sufficient to allow public input on all material issues. Discussion of additional topics or follow-up questions may start and end at specific times that will be announced in advance. Comments from the virtual workshop will be included in the official public record of this proceeding. The Bureau will not rely on anonymous comments posted during the workshop in reaching decisions regarding the model. Participants should be aware that identifying information from parties that post material in the virtual workshop will be publicly available for inspection upon request, even though such information may not be posted in the workshop forums.

I. PROCEDURAL MATTERS

A. Initial Regulatory Flexibility Act Analysis

8. As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the Bureau prepared an Initial Regulatory Flexibility Analysis (IRFA), included as part of the Model Design PN, 77 FR 38804, June 29, 2012, of the possible significant economic impact on a substantial number of small entities by the policies and rules proposed in these Public Notices and the information posted online in the Virtual Workshops. We have reviewed the IRFA and have determined that it does not need to be supplemented.

B. Paperwork Reduction Act

9. This document does not contain proposed information collection(s) subject to the Paperwork Reduction Act of 1995 (PRA), Public Law 104-13. In addition, therefore, it does not contain any new or modified information collection burden for small business concerns with fewer than 25 employees, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107-198, see 44 U.S.C. 3506(c)(4).

C. Filing Requirements

10. Comments and Replies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415 and 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS). See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121, May 1, 1998.

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: <http://fjallfoss.fcc.gov/ecfs2/>.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.
 - All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th Street, SW, Room TW-A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.
 - Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.
 - U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, SW, Washington DC 20554.

11. Virtual Workshop. In addition to the usual methods for filing electronic comments, the Commission is allowing comments in this proceeding to be filed by posting comments at <http://www.fcc.gov/blog/wcb-cost-model-virtual-workshop-2012>. Persons wishing to examine the record in this proceeding are encouraged to examine the record on ECFS and the Virtual Workshop. Although Virtual Workshop commenters may choose to provide identifying information or may comment anonymously, anonymous comments will not be part of the record in this proceeding and accordingly will not be relied on by the Commission in reaching its conclusions in this rulemaking. The Commission will not rely on anonymous postings in reaching conclusions in this matter because of the difficulty in verifying the accuracy of information in anonymous postings. Should posters provide identifying information, they should be aware that although such information will not be posted on the blog, it will be publicly available for inspection upon request.

12. People with Disabilities. To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

13. Availability of Documents. Comments, reply comments, and ex parte submissions will be publicly available online via ECFS. These documents will also be available for public inspection during regular business hours in the FCC Reference Information Center, which is located in Room CY-

A257 at FCC Headquarters, 445 12th Street, SW, Washington, DC 20554. The Reference Information Center is open to the public Monday through Thursday from 8:00 a.m. to 4:30 p.m. and Friday from 8:00 a.m. to 11:30 a.m.

FEDERAL COMMUNICATIONS COMMISSION.

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[FR Doc. 2013-03890 Filed 02/21/2013 at 8:45 am; Publication Date: 02/22/2013]